

# INFORMATION LETTER

Not for  
Publication

NATIONAL CANNERS ASSOCIATION

For Members  
Only

No. 1066

Washington, D. C.

December 8, 1945

## Deadline for Filing of 1944 Subsidy Payment Application

Canners are reminded that the last date for filing applications for their 1944 canned vegetable subsidy payments is December 31, 1945. Applications filed after this date will not be accepted by the U. S. Department of Agriculture. This date applies also to items which have become eligible for payments after application for payment has been made on the major portion of the canner's subsidized pack. (See INFORMATION LETTER for June 23, 1945, page 8867.)

## New Wage-Price Regulation

A new regulation which spells out President Truman's policy for reconversion stabilization of wages and prices was issued December 6 by Stabilization Director Collett. A review of previous executive orders on this subject, and a resume of the new order are presented on page 8871. The new regulation emphasizes that only wage and salary increases approved by the Stabilization Director may be reflected in ceiling prices. It provides also that an employer may grant unlimited wage and salary increases without approval, if he absorbs them. In such cases, he may still seek approval for purposes of applying for a ceiling price change. If the Director grants such approval, only increased labor costs incurred after approval will be considered by OPA in deciding whether to make a price change.

## Serious Hotel Room Reservation Situation Exists for Convention

Demand for room reservations at the Annual Convention is exceeding expectations. Members who have not yet filed their requests should do so at once; otherwise the Association may be unable to arrange accommodations for them.

Double occupancy of rooms in every possible case will be necessary if members are to be accommodated in the rooms available. Members who have filed requests are urged to review them and advise the Association promptly whether, by doubling up, they can reduce the number of rooms they originally requested.

Requests for parlors and sitting rooms are already three times greater than the number available. Consequently, the best the Association can do will be to assign a bedroom when available, to be used instead.

Room assignments will not be made until the Association has more complete information on the total accommodations requested as compared with the available supply of rooms. Please do not write or wire asking immediate approval of these rooms.

Obviously, the Association is not in position to make courtesy reservations for canners' customers or others not affiliated with the Association, and members are asked not to make requests for such reservations.

## Sugar Allocation Announced for First Quarter

The sugar supply available in the first quarter of 1946 to all categories of users amounts to a total of 1,183,854 tons for the January to March, 1946, period. This is a lower figure than the total of 1,222,610 tons allocated in the last quarter of 1945. The total of 1,183,854 tons for the January-March, 1946 quarter has been allocated as follows: U. S. civilians, including home, institutional and industrial users, 1,100,000 tons; U. S. Military and war services, 70,263 tons; commercial exports and shipments (including U. S. territories), 13,591 tons. Full particulars of the sugar allocation are contained in a press release of December 4, issued by the Production and Marketing Administration of the U. S. Department of Agriculture, and reproduced on page 8866.

## Congress Again Discusses Full Employment Bill

Full employment, farm labor appropriations, extension of the Second War Powers Act, and additional appropriations for UNRRA were the legislative proposals under discussion in Congress this week of major concern to canners. The House Expenditures Committee on Tuesday reported out a drastically revised version of S. 380, the Full Employment Bill passed some weeks ago by the Senate. The Senate Committee on Appropriations received the House-passed First Deficiency Appropriation Bill containing 14 million dollars for the agricultural labor program, and the House passed and sent to the Senate a bill extending the Second War Powers Act for another six months. Both Houses passed the 550-million-dollar appropriation for UNRRA with amendments. These and other Congressional actions are summarized on page 8872.

## TEXT OF USDA PRESS RELEASE ANNOUNCING SUGAR ALLOCATION FOR THE JANUARY-MARCH, 1946, PERIOD

Allocation of the supply of sugar available to the U. S. in the first quarter of 1946 was announced December 4 by the U. S. Department of Agriculture. The supply allocated—totaling 1,183,854 tons—is slightly below the total 1,222,610 tons allocated in the October-December, 1945, period but is sufficient to maintain civilian rationing at present levels. The allocation for the quarter compares with approximately 1,792,000 tons actually distributed in the first quarter of 1945 when military and export requirements were large.

The total of 1,183,854 tons for the January-March, 1946, period has been allocated as follows: U. S. civilians, including home, institutional and industrial users, 1,100,000 tons; U. S. military and war services, 70,263 tons; commercial exports and shipments (including U. S. territories), 13,591 tons.

The 1,100,000 tons allocated to U. S. civilians compares with the 982,000 tons allocated during the final 1945 quarter. (This figure does not include carry-over.) The January-March civilian allocation is estimated to be at a level sufficient to maintain present rationing rates for both home and industrial use, allowing for seasonal variations in total use.

Officials pointed out that deliveries of sugar to civilians ran behind allocations for the second and third quarters of 1945. It is anticipated that cancellation of part of the October-December military allocation will make possible the fulfillment of allocations to civilians in the calendar year 1945. For the calendar year 1945, on the basis of allocations and distribution so far, civilian per capita consumption will average about 72 pounds, compared with 80 pounds in 1944 and an average of 96 pounds in the 1935-39 pre-war period.

The military allocation of 70,263 tons compares with indicated distribution of 200,542 tons to this outlet in the first quarter of 1945. Officials explained that the sharp reduction in the military allocation does not mean that the civilian allocation is increased by that amount, as supplies available for allocation in the January-March period will be one-third below actual distribution in the comparable period of 1945. The 1945 fourth quarter allocation of sugar to the military and war services was 174,478 tons, but because of revisions in the programs, deliveries are expected to be considerably below that figure.

Of the 13,591 tons allocated for foreign commercial shipments, 4,678 tons are for military civilian feeding, 881

tons for U. S. territories, 2,000 tons for the Philippines, 2,000 tons for Newfoundland and Labrador, 1,070 tons for Iceland, with small amounts to a few other foreign claimants.

The world supply of sugar in 1946 is expected to be about the same as in 1945. Production may increase a little, but carry-over stocks have been reduced to a minimum. Consequently, officials explained it would not be possible to draw upon stocks again in 1946. The only area where there is a significant amount of unallocated sugar stocks is Java, and because of the internal situation on that Netherlands East Indies island it has not been possible to make further investigations regarding the availability of these supplies. So far, none has been shipped from the island.

Shipments of sugar to the United States from the Caribbean area in the first quarter of 1946 are expected to be substantially lower than the usual rate for that time of the year. This is due to the fact that year-end stocks in that area are extremely low. It is expected that in January and February, shipments arriving from the Caribbean area will be roughly one-half of the amount expected in the 3-month period, as the new crop will not begin to move in volume before March. As a result, the supply situation on the East Coast in the early part of the quarter may be more difficult than in the remainder of the country, as the area is more dependent on off-shore sources. Domestic beet sugar will be distributed farther east this year than usual to help ease the supply, but the mainland crops of cane and beet sugar must be used locally during the entire year ahead.

Although other foods have been taken off rationing, there is little likelihood of sugar becoming ration free for some time to come. The end of the war has not improved the very serious world-wide shortage of sugar. Some areas, particularly the Philippines, which normally supplied close to 1,000,000 tons of sugar to the United States, must rebuild production capacity before sizeable amounts will again be available.

### Macaroni Price Adjustments

Processors of macaroni and noodle products whose maximum prices are at levels below costs of production may apply for individual price adjustments under conditions announced by the Office of Price Administration in Amendment 1 to Supplement 1 to Food

Products Regulation 1, effective December 8, 1945.

This action is intended to help maintain production of these items at the lowest possible prices to consumers, OPA said, and is similar to "low-end" adjustment provisions already provided for a number of other commodities.

Since some processors' ceilings do not return production costs, loss of their output would make it necessary for consumers to buy similar products remaining on the market at prices considerably higher than the increased prices permitting "low-end" processors to remain in business, OPA added.

Under the amendment no processor's ceilings will be increased to a point above the median price at which sales of macaroni and noodle products are made by other processors in the general processing area.

The amounts of adjustment that will be granted depend upon the individual processor's current operating position.

### CPA to Close Field Offices

The Civilian Production Administration announced this week that all its field offices will be closed on or before December 31, 1945. After December 7, all applications for priorities assistance under Priorities Regulation 28, heretofore handled in the field offices, must be forwarded to its headquarters in Washington for handling, CPA said.

After December 31, there will be no one available in any field office to aid applicants in the filling out and filing of the application forms for priorities assistance. The present 13 regional and 6 district offices, although closed for the transaction of all Civilian Production Administration business after the first of the year—except for compliance matters—will only be used by the Compliance Division and a limited number of administration personnel engaged in liquidating field activities.

Replacing the field offices as sources of supply for priority application forms, will be 115 First Class Post-offices in cities where CPA field offices have been located. The forms will also be available in the Smaller War Plants Corporations field offices. CPA officials explained that there would be no one available in the post offices to assist applicants in filling out the forms. The revised CPA 541-A forms, on which application is made for assistance in breaking industrial reconversion bottlenecks under PR-28, will also be available in Room 1501 Social Security Building, Washington, D. C., as will other forms which business may need.

## Expected 1946 Grower Prices to Compare Favorably with 1945

Prices received by growers for truck crops commercially produced for processing in the early part of the 1946 season may compare favorably with those received in 1945, despite an anticipated moderate decline in total demand for the entire season, the U. S. Department of Agriculture announced this week. Commercial processors are said to be showing strong interest in supplies presently available and in prospective acreage for 1946. Processors probably will attempt to replenish stocks in commercial trade channels as rapidly as possible, and will again try to capture consumer preference for particular trade brands which may have been unobtainable in retail stores during the war.

Commercial production for processing in 1945 may set a new record-high in the aggregate. Record or near-record production for processing this year has been achieved for kraut cabbage, cucumbers, sweet corn and green peas. Prices received by growers this year are expected to average not far from those of last year, because pre-season contracts were written in expectation of a continuing war and unsatisfied consumer demand, and because prices for the four major processing crops (tomatoes, sweet corn, snap beans, and green peas) were supported by the Government at levels substantially the same as in 1944.

## Controls Lifted on Rotenone

The public purchase program for the importation of rotenone and rotenone-bearing materials, important botanical agricultural insecticides, will be terminated on March 31, 1946, and the trade restored to private importers, the Civilian Production Administration reported this week.

## Support Price Changes for 1946

The principal change anticipated by the Department of Agriculture in support prices for 1946, as compared with wartime supports, will be less use of supports at levels above the minimum provided by the applicable legislation, according to a statement made by H. B. Boyd, Director of the Price Branch, USDA, at the 23rd annual agricultural conference of the Department in Washington, December 4. Mr. Boyd's statement did not specifically refer to support prices for processing crops.

"We anticipate that there will be very few cases in which there will be

justification or need for maintaining support prices above this minimum level," he asserted. "Some of these exceptions have already been announced: Sugar beets, sugar cane and flax seed. Other possibilities, where we are considering support above the minimum level, are dry beans and soy beans, although even here some reduction below the current support is quite possible."

## Farm Production Goals for 1946

The Secretary of Agriculture recommended national farm production goals for 1946, on December 1. These called for a total acreage of more than 356 million, not as large as the 1945 goals.

**The Association has been promised figures covering the goals of processing crops next week and the Information Letter will publish complete breakdowns by States and products.**

but approximately 5½ million acres more than the indicated acreage actually planted for 1945 crops.

The largest percentage increase in goals acreages was suggested for sugar beets—31 percent over last year's. An 8 percent boost was recommended for Continental sugar cane acreage. Goals for food grains, including corn, barley, oats, and grain sorghums are all at or slightly above 1945 indications.

## Potato Ceilings Suspended

Ceiling prices on white potatoes will continue to be suspended for the period beginning December 6 and ending March 6, 1946, the Office of Price Administration announced Wednesday.

This action, taken in Amendment 10 to Supplementary Order 132, effective December 5, also clarifies the provision pertaining to the reinstatement of price controls in the case of suspensions for a definite period as follows: Price controls automatically are reinstated the day following the termination date unless OPA extends the suspension period.

## Farm Prices to Be Maintained

Prices received by farmers for most farm products seem likely to be maintained near their present levels for the next few months, but probably will average moderately lower in 1946 than in 1945, particularly if farm production is maintained at a high level, the U. S. Department of Agriculture announced this week. Price declines

would, of course, be limited by the operation of the Stabilization Act of 1942, which provides for the extension of price supports at not less than 90 percent of parity (92.5 percent for cotton) to "basic" and "Stengall" commodities for at least two years after the end of the war. If prices of these commodities should decline to mandatory price support levels, they would average about 15 percent below their present levels, assuming no change in the parity index of prices paid, interest and taxes, USDA said.

"Basic" and "Stengall" commodities have accounted for about two-thirds of cash farm income in recent years. However, the prices of most farm products are not likely to decline enough in 1946 for mandatory price supports to become necessary.

## Farm Product Prices Continue to Rise; Parities Unchanged

Prices received by farmers for all groups of farm products except fruit, advanced from mid-October to mid-November, raising the general farm commodity price level from 199 to 205 percent of its 1909-14 average, the U. S. Department of Agriculture reported this week. This was only 1 point below the recent high of 206 reached in June and July, 1945, and higher than at any other time since August, 1920. A year ago the index was 196. Price increases were greatest for truck crops, eggs, rye, oats, and apples. These increases and slight upturns for other commodities more than offset minor declines in prices of corn, grapefruit and chickens.

Parity prices held steady at their highest level since 1920 as the index of prices paid, interest and taxes, at 175, was the same as in October, and up only 4 points from a year ago. Prices received by farmers averaged 117 percent of parity in mid-November compared with 114 in October and 115 a year ago.

## Tin Again under Import Order

In order to strengthen controls for implementing the international allocation of tin, which is still in critically worldwide short supply, the Civilian Production Administration has again placed this metal under the controls of the General Imports Order, M-63.

Tin bars, blocks, pigs, grain or granulated, and tin alloys including alloy scrap, which are now being returned to M-63, were removed from import control in August of 1944 because under wartime conditions its private importation was not feasible.



## FISH CONTRACTOR CLAIMS ON EXPORT CASE EXPENSE

Procedure for Filing is Detailed in  
Special Notice Issued by  
Agriculture

The Association has been advised that the Production and Marketing Administration of the U. S. Department of Agriculture has issued a notice to canned fish contractors regarding claims they may file to obtain reimbursement of actual expenditures for export cases and packaging material "purchased but not used for the purpose of fulfilling the Commodity Credit Corporation contract requirements."

The notice, dated December 4, applies to all contracts for canned fish included in War Food Order 44 except canned Alaska salmon. Text is as follows:

In a notice dated September 24, 1945, contractors were given general instructions regarding the procedure for filing claims. It is now possible to give further details on this. The claims may be filed either in Washington with the Special Commodities Branch, Production and Marketing Administration, or with the Regional Finance Office that handles other claims for fish contractors. In either case the Contracting Officer in Washington must give his approval so if claim is filed with the Regional Finance Office, copy or letter giving the details of the claim should be sent to Contracting Officer, Special Commodities Branch, Production and Marketing Administration, U. S. Department of Agriculture, Washington 25, D. C. The Contracting Officer will then verify the figures reported with the records of the Administrator of WFO 44 and notify the Regional Finance Office of his approval or disapproval.

Attention is called to the last provision in Form PBT-401, paragraph 2, subparagraph (d) which reads as follows:

"Provided, That in no event shall CCC reimburse the Contractor for packaging material acquired, but not used, which is in excess of a quantity of packaging material necessary to pack in export packaging the Government quota of its pack of fish as provided in War Food Order 44, as in effect on April 1, 1945."

This means that CCC will reimburse the Contractor for export cases up to 80 percent of his actual pack during the year ending March 31, 1946. For example, if a canner estimated his pack at 30,000 cases and purchased his supplies accordingly, then had a short pack to say 10,000 cases, the CCC is obligated for only 8,000 cases either as actual cases of fish delivered to CCC or as surplus empty cases.

The rate to be charged CCC is stated in the September 24, 1945, notice as "... the rate provided in the contract

for V3c, V3s and export wood, respectively."

The Pilchard and Continental U. S. Salmon contracts include separate rates for strapping and marking; therefore the rate shown in the contract for export cases is the correct rate to use.

The Maine Sardine and Sea Herring, Atlantic Mackerel and Pacific Mackerel contracts, however, include a combined charge for case, strapping and marking; therefore the rate shown in the contract must be reduced by the labor and material cost for strapping and marking.

If a canner claims against CCC for surplus strapping material, it should be charged at his cost excluding the labor cost of applying straps. Such strapping material will become the property of the CCC and payment can not be obtained until actually delivered

to the CCC. Notice of Tender of Delivery shall be submitted in the same manner as provided for the canned fish. Orders for delivery may be obtained from the same office of the Shipping and Storage Branch that issues orders for delivery of the canned fish.

The Production and Marketing Administration explains that each canner will no doubt have his own problem in making his claim and states that it is consequently difficult to prescribe a set of exact rules to be followed. PMA therefore requests that if any questions arise concerning the claim they be addressed to the Contracting Officer, Special Commodities Branch, Production and Marketing Administration, U. S. Department of Agriculture, Washington 25, D. C.

## Fishery Yield for 1945 Expected to Equal Average Pre-war Figure but Slightly Below Last Year; Canned Pack Drops 6%

The yield of U. S. fishery products in 1945 probably will equal the average pre-war figure as a result of the restoration of approximately normal operating conditions in the fishing industry, but according to present indications will fall slightly below last year's level, the Fish and Wildlife Service reports.

The catch of all species is expected to total approximately 4.4 billion pounds, which is equivalent to the average production during the five years preceding the war.

The chief reason for the lower tonnage this year, compared with 1944, is a decline of about 225 million pounds in the catch of pilchards or California sardines. Fish and Wildlife officials said. The pilchard industry normally accounts for about one-fourth of the total U. S. fish catch. Following are excerpts from the Fish and Wildlife report of December 7:

By November 17, the 1945 catch of pilchards had reached a total of 353,501 tons, compared with 460,000 tons by the same date last year. Owing to the generally improved manpower situation in the canneries, however, the pack of canned pilchards totaled 3,132,322 cases, an increase of about 9 percent over last year.

In contrast to the generally upward trend of the fresh fish trade, production of canned fish, with the exception of pilchards and tuna, is behind 1944. Increases in the pack of these two species are not enough to offset declines in salmon, mackerel, and Maine sardines, with the result that the total canned fish pack is approximately 6 percent under 1944.

On both coasts the pack of mackerel is extremely small. On the Atlantic Coast, only 44,351 cases had been canned by the end of September, com-

pared with 175,008 cases last year. The pack of Pacific mackerel through October was 300,251 cases, as against 645,320 cases in 1944.

The Maine sardine industry, with a pack of 2,007,784 cases for the first three quarters of the year, was running almost 20 percent behind the 1944 pack, while on the Pacific Coast the pack of salmon declined from 5,138,647 cases in the 1944 season to 4,833,333 cases in 1945.

California tuna provided a pack of 2,905,757 cases to October 31, or 437,000 cases ahead of the pack on the same date last year. The total pack of tuna in 1945 will probably be the largest since 1940.

Although receipts of shrimp are holding up fairly well—222,152 barrels to the end of October, compared with 288,483 barrels last year—the canned pack is only 113,813 cases, which is approximately a third of the 1944 pack.

Production for the fresh fish markets is generally high throughout the country. Landings at the principal New England ports amounted to about 525 million pounds by mid-November this year, compared with about 430 million pounds in 1944.

In New York, receipts of fishery products (including rail, truck and vessel receipts) rose from 190,285,865 pounds during the first three quarters of 1944 to 217,075,480 pounds in 1945.

Receipts at Seattle for the first 10 months of 1945 were up 35 percent over last year. Landings for this period in 1945 totaled 70,716,955 pounds.

Landings of fresh and saltwater fish in the Gulf of Mexico area increased about 15 percent over last year, totaling about 9 million pounds by the end of October. Receipts of hard crabs also increased from 10,323,000 pounds to 11,767,000 pounds. Oysters, on the other hand, declined slightly, from

507,000 barrels to 435,000 barrels this year.

In the Chesapeake Bay area, receipts at Norfolk amounted to 24,703,500 pounds for the first ten months of the year, a gain of about two and a half million pounds over 1944.

### USDA Announces Further Cuts in Set-asides of Canned Fish

The U. S. Department of Agriculture has announced that canners of Pacific mackerel will not be required to reserve for governmental use any part of their packs processed after November 17, 1945. At the same time the Department reduced the set-aside of pilchards for the period April 1, 1945, to March 31, 1946, from 45 to 30 percent of the entire pack.

Both actions were taken in amendment 17 to War Food Order 44. Under the provisions of the order, as amended, the USDA reserves 45 percent of the pack of Pacific mackerel for the period April 1, 1945, to November 17, 1945, but requires no set-aside after November 17, 1945.

As a result of the amendment, effective December 8, 1945, an additional 27 million pounds of canned pilchards will be available to civilians out of the current pack. This will raise the U. S. civilian share of canned pilchards to an estimated 126 million pounds, as compared to 67 million pounds from last year's pack.

Despite the fact that the estimated 1945 Pacific mackerel pack is expected to be less than half of last year's pack, civilians will now get 15 million pounds as compared to 19 million pounds from the 1944 pack.

### Salt Fish Import Control Ends

Importation of salted fish into Puerto Rico and the Virgin Islands, which has been controlled under provisions of War Food Order 72, has been returned to private trade by the U. S. Department of Agriculture.

The action, taken in Amendment 6 to WFO 72, became effective December 4, and is in line with discontinuance of the Department's food program for Puerto Rico and the Virgin Islands. Under that program only the Department of Agriculture was authorized to import salted fish.

With discontinuance of the program in Puerto Rico and the Virgin Islands, distribution of salted fish is on a contractual basis between importers and supplying countries and therefore it is not necessary to continue distribution control under the order.

### Forthcoming Meetings

**December 10**—Maine Cannery Association, Annual Meeting, Eastland Hotel, Portland.

**December 13**—Minnesota Cannery Association, 39th Annual Meeting, St. Paul Hotel, St. Paul.

**December 13-14**—Association of New York State Cannerymen, Inc., 60th Annual Meeting, Hotel Statler, Buffalo.

**December 19-20**—Ohio Cannery Association, Annual Meeting, Deshler-Wallick Hotel, Columbus.

**January 7-11, 1946**—National Council of Farmers Cooperatives, 17th Annual Meeting, Edgewater Beach Hotel, Chicago, Ill.

**January 9-11**—Northwest Cannery Association, Gearhart Hotel, Gearhart, Ore.

**January 10-11**, Wisconsin Cannery Association and University of Wisconsin Cannery Sanitation Conference, Madison.

**January 10-11**—Second Industrial Waste Conference, Purdue University, Lafayette, Ind.

**January 10-12**—Georgia Cannery Association, Annual Meeting, General Oglethorpe Hotel, Savannah.

**February 3**—Old Guard Dinner, Claridge Hotel, Atlantic City, N. J.

**February 3-8**—National Cannery Association, Annual Convention, Ambassador Hotel, Atlantic City, N. J.

**February 3-8**—National Food Brokers Association, Annual Convention, Dennis Hotel, Atlantic City, N. J.

**February 3-8**—Canning Machinery & Supplies Association, Annual Convention, Claridge Hotel, Atlantic City, N. J.

**February 3-8**—National American Wholesale Grocers Association, Annual Convention, Marlboro-Blenheim, Atlantic City, N. J.

**February 21-22**—Ozark Cannery Association, Colonial Hotel, Springfield, Mo.

**March 8**—Cannery League of California, Annual Meeting, Fairmont Hotel, San Francisco.

### Dice Named Food Rationing Head

George A. Dice was named to succeed James E. Kelley as director of food rationing for the Office of Price Administration, effective December 5, that agency announced this week. Mr. Dice, who has been associate director of the Food Rationing Division for more than a year, came to OPA in March, 1942, as head of the Sugar Supply Equalization Section. Later he served as chief of the Sugar Branch of the Food Rationing Division.

### USDA Terminates Order WFO 74 Licensing Ship Suppliers

The U. S. Department of Agriculture announced December 4 that War Food Order 74, which permitted licensed ship suppliers to obtain set-aside and restricted foods for War Shipping Administration vessels, was terminated effective December 1, 1945.

The action was taken, it was explained, because war food orders affecting many of the foods covered under WFO 74 have been suspended or terminated. As a result, the need of ship suppliers for the procurement assistance provided by the order has diminished to the point that the continuance of WFO 74 is no longer considered necessary.

A report (Form FDO-74-2) for the month of November, 1945, is to be mailed by ship suppliers to the Order Administrator of WFO 74 by December 10. This report, which is the last one required under the order, is necessary to complete the records of ship suppliers' activities during the entire effective period of WFO 74.

Approved ship suppliers designated by War Shipping Administration, after December 1, 1945, may obtain food subject to set-aside or quota restrictions of War Food Orders Nos. 10, 16, 19, 42, 42b, and 75.3 under amendments to those orders which will be effective on that date.

### Bovine T. B. Campaign Saves Vast Amount of Nation's Beef

Ment and milk canners were advised Wednesday by the U. S. Department of Agriculture that the Federal-State campaign to eradicate bovine tuberculosis is now paying off in a vast saving of beef as well as in a safer milk supply. The Department reported that of about 14½ million cattle carcasses Federally inspected during the last fiscal year, only 0.04 percent, exclusive of known reactors, were affected at all with tuberculosis and only 0.01, or 1 in 10,000, were affected seriously.

When the campaign to eradicate this disease was first undertaken about a quarter century ago, condemnations of cattle carcasses because of tuberculosis were more than 30 times as frequent as now. The Department's Bureau of Animal Industry estimates current savings, as a result of the reduced extent of bovine tuberculosis, to be nearly 40,000 animals or about 16,000,000 pounds of beef a year that otherwise would have been condemned as unfit for human consumption.

### Commerce Department Releases Import and Export Statistics

Import and export statistics by countries and commodities that could not be released during the war for security reasons are now available to the public as an aid to foreign trade operations, the Bureau of Foreign and Domestic Commerce, Department of Commerce, announced this week.

Approximately 15,000 standardized tables on the international trade of the United States and most foreign countries, covering the war years and those immediately preceding, have been compiled by the Bureau's International Trade Unit.

The statistics are assembled in readily usable form by commodity groups and individual commodities and by countries and are set up in standardized tables so that the data are readily comparable. Businessmen, economists, and others may obtain upon request tables on specific countries and commodities for specified years, the Bureau said. Three general groupings of statistics are available:

(1) Tables on United States trade with practically all countries, broken down into commodity groups and commodities. These are based on official United States records and cover the years 1937 through 1944.

(2) Tables for foreign countries, based on each country's official reports. This group includes tables on the total value of imports and exports of each country, given in the country's currency; each country's exports by principal destination countries expressed in value; each country's exports of chief commodities expressed in quantities and value; and similar import tables by principal countries of origin and by principal commodities. Selection of principal commodities and of trade with principal countries has been made to cover from 70 to 80 percent of each country's total foreign trade.

(3) Tables on world trade for most foodstuffs and for about 90 other commodity groups covering, in general, the period 1937-41. Data for foodstuffs cover most countries. Those for other commodity groups cover the countries that are important importers or exporters of the commodity surveyed. In addition, for the benefit of businessmen interested in Latin American trade, data for most of these 90 commodity groups cover all Latin American countries even where the countries are not leading importers or exporters of the particular commodity.

Requests for the international trade statistics should specify the country or commodity and the years for which data are desired and should be addressed to the International Trade Unit, Department of Commerce, Washington 25, D. C.

A descriptive catalog of types of available tables and a listing of tables by countries and commodities with the years for which data are given will appear in the December 8 issue of *Foreign Commerce Weekly*, a publication of the Department of Commerce.

### Eight Nations Remain under Foreign Trade Restrictions

Although under General License No. 94, made effective December 7 by the Treasury Department, all countries except Portugal, Spain, Sweden, Switzerland, Liechtenstein, Tangier, Germany and Japan, are taken off the restricted list, and American citizens are free to trade again in those countries, this does not necessarily mean that American exporters can begin shipping immediately, or that exporters in those countries can immediately make shipments to the United States, the Association is advised.

It will take a week or two perhaps for the State Department to set up the necessary machinery to implement this order. This means that licenses to export to or import from these countries will not be obtainable until facilities have been established for trading and shipping.

Americans may engage in commerce and/or financial transactions with persons in the countries now put on the "unrestricted list," but existing "blocked accounts" are not freed by the new order.

The reason for maintaining Portugal, Spain, Sweden, Switzerland, etc., on the restricted list is that these countries have not yet taken effective action to search out, mobilize and control enemy assets within their jurisdiction. Likewise, controls of blocked accounts in the many unrestricted countries are maintained so that camouflaged enemy assets will not be released.

Most of the restrictions imposed on securities in the original freezing order are now removed under the new general license No. 94, which means that Americans will be able to do business with the 24 countries now unfrozen, as freely as with Great Britain and Canada.

### Stokely Merger Announced

The merger of Columbus Foods Corp. of Columbus, Wis., with Stokely-Van Camp, Inc., has been announced by William B. Stokely, Jr., president of the Indianapolis food firm. The merger of the two canning firms is expected to be completed by May 1946.

### Wallace Promises Department of Commerce Aid to Business

Secretary of Commerce Henry A. Wallace, in an address Wednesday before the National Association of Manufacturers, stated that "the program of the Department within the framework of the general welfare is designed to provide all possible help for business. It is the Department's job to promote business, to provide services that business can't provide for itself, to speak for business in government, and to work for a climate of public policy favorable to business expansion. The Department's efforts have been and will continue to be devoted to advancing all legitimate competitive business interests."

"It is with these general goals in mind that a plan has been developed for strengthening the program of the Department. Under this plan, the Department will undertake to provide:

"1. Revitalized foreign trade promotion services.

"2. Management aids, technological aids, marketing aids, and other forms of direct service for business.

"3. Strengthening of the technical bureaus and offices of the Department.

"4. A strong, balanced program of current and 'benchmark' statistics and a complete analytical program to give business and government current information on the economic situation and business outlook.

"The recent announcement of the Department's statistical program, centered in the Bureau of the Census, has met with an enthusiastic response from virtually all segments of business and industry. It is planned to supplement the statistical program with a greatly strengthened analytical program in the Bureau of Foreign and Domestic Commerce. Considerable progress has been made in recent years in the keeping of the national accounts—in the Department's analysis of the gross national product and national income. These data, which the Department has an obligation and responsibility to make available, have been widely recognized as useful management tools by business and industry."

### USDA Poultry Branch Official

Appointment of R. W. Lennartson as an assistant director of the Poultry Branch, Production and Marketing Administration, U. S. Department of Agriculture, was announced this week. W. D. Termohlen, whose appointment was announced previously, is the other assistant director of the Branch.



## STABILIZATION DIRECTOR ISSUES NEW WAGE AND PRICE REGULATIONS TO GOVERN DURING RECONVERSION PERIOD

Stabilization Director John C. Collet issued long-awaited regulations on December 6, spelling out details of the President's previously announced policy for stabilization of wages and prices during the reconversion period. Under the President's policy, employers have been free to make unlimited wage and salary increases if the employer absorbed them. Under the new regulations, a procedure is set up for determining primarily on a case by case basis what wage and salary increases may be passed on in the form of ceiling price changes and what labor cost increases must be absorbed.

The regulations make clear that ceiling price changes will not be made on account of wage and salary increases unless the price change is required by the pricing standards of the Price Control Act. Thus the burden of deciding whether wage and salary increases must be absorbed is placed upon OPA, subject to the overriding policy control of the Stabilization Director.

The President's policy was earlier stated in two executive orders. On August 18, Executive Order 9599 ended the former prohibition against making wage and salary increases without prior government approval and authorized approval of unlimited and retroactive wage and salary increases if the employer absorbed the increases. The OPA was ordered to continue holding down the cost of living and to maintain existing general price levels. At the same time, however, the President directed that wage and salary increases requiring price changes could only become effective upon approval of the Stabilization Director. (See INFORMATION LETTER for August 25, 1945, page 8745.)

On October 30, the President clarified his original policy by issuing Executive Order 9651. This directed the Stabilization Director to approve wage and salary increases falling in three classes:

(1) Increases to equal the percentage increase in cost of living between January, 1941 and September, 1945; (2) Increases to correct inequities between plants in the same industry; and (3) Increases necessary to obtain full production in an industry essential to reconversion where the existing labor rates do not attract needed manpower. (See November 3, 1945 LETTER, page 8830.)

The President reiterated the point that employers could make unlimited wage and salary increases without approval if the increases were absorbed. He also modified his original direction to OPA by providing that unapproved

wage increases could be considered by OPA after a test period in determining whether price changes are required by legal pricing standards.

The new regulations of the Stabilization Director closely follow the policy structure of these Executive Orders. The regulations first emphasize that only "approved" wage and salary increases may be reflected in ceiling prices. All other increases must be absorbed. The regulations then point out that an employer may grant unlimited wage and salary increases without approval if he absorbs them, but that the employer, after granting such an increase, may seek approval in order to try to obtain a ceiling price change. If the approval is obtained, only increased labor costs incurred after approval are to be considered in determining upon a price change.

As previously mentioned, only wage and salary increases "approved" by the Stabilization Director may be reflected in ceiling prices. The regulations accordingly specify for price change purposes what type of wage and salary increases are to be considered automatically approved by the Director and what type require his specific approval.

There are several classes of "approved" increases.

First, wage increases up to 55 cents an hour and other wage and salary increases, such as increases under a salary plan, which did not require specific approval by the stabilization agencies under former regulations, are considered automatically "approved" without any action required by the stabilization agency or the Director.

Second, certain classes of wage and salary increases must be specifically "approved" by the appropriate stabilization agency, either the Treasury or the National War Labor Board. When this specific agency approval is obtained, however, the Director's approval will be considered automatically granted. These classes of increases requiring specific agency approval but not the Director's approval are: (1) increases meeting the former standards for approval; (2) cost of living increases, which are percentage increases in average straight-time hourly earnings over the January, 1941 earnings equal to the percentage increase in the cost of living between January, 1941 and September, 1945 (this cost of living percentage increase is fixed at 33 per cent); (3) increases to correct interplant inequities; and (4) increases to insure full production in a reconversion "bottleneck" industry. In this last class, however, increases may be granted only after the Director specifically finds that a particular in-

dustry's lack of production is a drag on the reconversion program due to lack of manpower resulting from low wages.

Third, all other wage and salary increases must be specifically approved by both the stabilization agency and the Director before it will be "approved" for price change purposes.

The regulations then emphasize that, even though a wage and salary increase is "approved," the Price Administrator has the right and power to decide whether, taking the labor cost increase into consideration, a ceiling price change is required under the pricing standards of the Price Control Act. In considering whether "unapproved" labor increases require price changes after a test period, the Price Administrator is authorized to require presentation of financial data on labor costs.

In connection with current labor problems, it may be observed that the new regulations are not wage and salary controls but rather might be called labor cost absorption regulations. "Approval" of wage and salary increases is therefore significant only for ceiling price purposes. It should be noted that the Stabilization Director, in commenting on the labor increases authorized by Executive Order 9651 and now approved by the Director in the new regulations, stated that these increases will not have much effect on price levels because present labor rates are well above these new standards. This suggests that new and substantial labor cost increases must first be specifically approved by the Director and then favorably considered by OPA before a ceiling price increase may be obtained.

Thus, penalties for making unapproved wage and salary increases no longer exist. With this change, the Little Steel Formula is now completely abandoned. It should be noted, however, that the regulations prohibiting decreases in wage and salary rates remain unchanged.

### Shrimp Ceilings Established

Price ceilings are established at the processors' level on headless, cooked, peeled and veined shrimp through the issuance of Amendment 6 to Maximum Price Regulation 550 issued by the Office of Price Administration on Thursday. The prices per pound are as follows: Jumbo, 80¢; Large, 70¢; Medium, 60¢; Small, 50¢; and Ungraded, 50¢. The order becomes effective December 11.

Prices on shrimp with veins are ten cents cheaper in all grades.

## CONGRESS SUMMARY

After much consideration and re-vamping, the House Expenditures Committee, December 4, reported out a revised version of S. 380, the so-called "Full Employment Bill." Although the Senate version was "watered" down from the proposal originally made by President Truman, the House Committee went even further in recommending a Federal policy that would maintain only a "high" level of employment rather than a "full" level throughout the country.

The measure proposed by the House committee would set up a three-member council of economic advisors to the President; direct the President to report to each session of Congress starting in 1947 on ways of averting unemployment; and set up a special Senate-House Committee to act on the President's report.

The House Committee eliminated two major sections of the Administration's proposal, a government policy of maintaining full employment by providing jobs to supplement private enterprise if necessary, and the opportunity to find work for all able-bodied Americans if they wanted to work.

The House Rules Committee has ordered an open rule granting one day's general debate and immediate consideration of S. 380. The measure likely will be acted upon this coming Tuesday.

Late last week the House passed the First Deficiency Appropriation Bill which, among other things, authorizes a \$14,000,000 appropriation for the Department of Agriculture to continue its foreign labor program for another year. The provision to permit the Secretary of Agriculture to charge employers a fee for labor assigned under the program was stricken from the bill. Senate hearings on the bill began this week and will be continued through next week.

Extension of the Second War Powers Act for another six months was approved Monday by the House and the measure was sent to the Senate for concurrence.

The Senate on Wednesday passed H. J. Res. 206 which appropriates an additional \$550,000,000 for the United Nations Relief and Rehabilitation Administration, after stripping from the bill all restrictive amendments agreed to by the House. As the *Letter* went to press, the House was expected to take up the Senate version of the bill, and if an agreement over the Senate

bill is not reached in the House, the measure will then go to conference.

After several days of debate the House, by a vote of 327 to 39, on Wednesday, passed the Second Authorization Bill (H. R. 4649) which would appropriate \$1,350,000,000 as this nation's second contribution for UNRRA. The measure was adopted only after a compromise "freedom of the press" amendment, introduced by Representative Christian Herter of Massachusetts, was accepted by a voice vote. Previously, the "freedom of the press" amendment offered by Representative Clarence Brown of Ohio was defeated. The bill now goes to the Senate for action.

The House Committee on Agriculture, despite opposition expressed last week by Secretary of Agriculture Clinton P. Anderson, on December 3 reported favorably the bill, H. R. 3422, to separate all foreign loan agencies from the Department of Agriculture by creating a new Agricultural Credit Agency with headquarters in Washington, under jurisdiction of a seven-member board.

The Senate on Wednesday passed without amendment and sent to the House, S. 1610, a bill to provide \$485,000,000 for the rehabilitation of the Philippine Islands. The Senate also passed without amendment S. J. Res. 119 to provide for national elections in the Philippine Islands.

## Sweet Corn Pack for 1945

The total pack of canned corn for 1945 amounted to 29,538,553 actual cases, according to a report issued December 7 by the Association's Division of Statistics. This compares with 25,982,094 cases in 1944. On the basis of 24 No. 2's per case, the 1945 pack was equivalent to 28,236,900 actual cases, compared with 25,089,107 cases for 1944. This report is a summary of the pack of canned sweet corn made by all firms known to have been packing in 1945.

The pack by States in 1945, together with that for 1944, is shown in actual cases in the table below:

States	1944 Cases	1945 Cases
Maine and Vermont.....	1,463,380	905,643
New York.....	1,099,547	1,351,160
Maryland & Delaware....	2,027,918	2,639,312
Pennsylvania.....	484,000	626,989
Ohio.....	810,833	1,124,937
Indiana.....	1,425,505	2,063,702
Illinois.....	3,503,036	4,417,384
Wisconsin.....	5,360,873	5,962,722
Minnesota.....	5,137,320	4,962,876
Iowa & Nebraska.....	2,818,724	3,356,801
Others—East.....	176,993	199,650
Others—West.....	1,673,905	1,907,177
Total.....	25,982,094	29,538,553

Details of the pack by varieties and style of pack will be shown in next week's *INFORMATION LETTER*.

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